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No 3, May-June 1985

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# USSR REPORT

## INTERNATIONAL AFFAIRS

### PEOPLES OF ASIA AND AFRICA

#### No. 3, MAY-JUNE 1985

Except where indicated otherwise in the table of contents the following is a complete translation of the Russian-language bimonthly journal NARODY AZII I AFRIKI, published in Moscow by the Oriental Studies Institute and the Africa Institute of the USSR Academy of Sciences.

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## THIRD WORLD ISSUES

### ENGLISH SUMMARIES OF MAJOR ARTICLES

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 220-221

[Text] Kampuchea on Way to Socialism

N. N. Bektemirova, Yu. P. Dementyev

The article examines the development of the People's Republic of Kampuchea from 1979 to 1984, which it refers to as a transition period of the construction of the fundamentals of Socialism. This period is distinguished by virtually a complete lack of material preconditions of Socialism. Ideologically, the situation is exacerbated by the fact that the mentality of the bulk of the population is petty bourgeois. It is not devoid also of extreme individualism and nationalism.

The Fourth Congress of the National Revolutionary Party of Kampuchea turned out to be an important landmark in the construction of the new life. The article analyses the decisions of the Congress and the way they are being translated into reality. It is noted that the leadership of the National Revolutionary Party of Kampuchea considers it essential to implement the "Three Revolutions" programme during the transition period: in the field of production relations, science and technology revolution and a revolution in the field of ideology and culture.

The first steps taken by the Government in this direction have taken the form of the "three revolutionary movements," to enhance economy and culture, oppose the enemies of the state and consolidate the revolutionary forces of the nation. These movements are being analysed in greater detail.

The article highlights the cooperation of Kampuchea with the USSR, Vietnam, Laos and other socialist countries and characterizes it as an important condition of Kampuchea's advance towards Socialism. It also points out the contribution of Kampuchea, Vietnam and Laos to the transformation of Southeast Asia into the region of peace and stability.

TNC's and Natural Resources of Asian Countries

V. A. Gantsky

The collapse of the colonial system and the achievements gained by the liberated states in their struggle to normalize the relations in the raw materials

sector of the world capitalist economy testify that the further traditional exploitation of their natural resources is out of the question. In these circumstances the problem to retain access to the natural resources of the developing world assumed a special importance so far as the TNC's operating in this sector are concerned.

In the late 1970's the nationalization of foreign companies in the extracting industry in Asia witnessed a downward trend. The fact that a large percentage of foreign assets was put under national control and the change in the national investment policy of many of these states account for this.

Although additional stimuli were introduced to encourage the activity of TNC's, the experience, as a rule, shows that gradually the conditions of the TNC's operations were restrained. At the same time, the latter are searching and resorting to new ways of operation to gain access to the natural resources of developing countries. The article goes into various "compromise" forms of TNC expansion.

The article notes that along with the modification of the forms of TNC expansion, the structure of their investment has undergone a marked change. Today, TNC's are trying more and more to increase their presence in the technologically dependent processing industries, to substitute their loss of the direct control over the extracting industry of Asian states. Pursuing this policy, TNC's impose upon Asian countries a model of a dependent industrialization, which would perpetuate their technological and economic backwardness.

It is the contention of the author that developing nations are to take effective steps in order to establish genuine sovereignty over their natural resources, strict control over the activity of TNC's, promote cooperation with socialist states and put through progressive social and economic reforms. These steps alone will ensure a radical change of the unequal partnership in the sector of raw materials.

#### Liberation Mission of Soviet Armed Forces in Korea

G. K. Plotnikov

The article, published to mark the 40th anniversary of the Soviet People's victory in the Great Patriotic War, uses ample factual data to characterize the operations of the Soviet Army, which brought about the liberation of Korea. The article presents evidence testifying that the population of North Korea highly appreciated the liberation mission of the Soviet Army.

It is also noted that during the hostilities and directly after the ceasing of fire the Command of the Soviet Army took steps to reconstruct the economy of North Korea, which had been greatly damaged during the Japanese occupation.

#### Secret Societies of Chinese Immigrants: Evolution and Social Essence

S. R. Lainger

The first part of the article examines the genesis of the Chinese secret societies overseas. These societies sprang up first in Mainland China in the

17th century to combat the Manchurian Ch'ing dynasty. Apart from the anti-Ch'ing struggle, the secret societies upheld the slogans of social justice. Outside China, the secret societies emerged as branches and subsidiaries of the societies operating in the Mainland. In the South East Asia they date back to the 17th-18th century. By the mid-19th century the secret societies were opened virtually in all countries of the mass Chinese immigration. In the last decades of the 19th century these societies turned into large-scale organizations of influence, which controlled all the aspects of life within the immigrant community, including the economic one.

The article deals with the evolution, which the secret societies underwent during the fin de siècle. It highlights their growing political activity in the context of the national-liberation movement in colonial and dependent countries and the emergence of bourgeois democracy in the Chinese political arena. The secret societies of this period demonstrated the ability to revive their political activity. The episodes associated with the early activity of Sun Yat-Sen and the part played by the societies in Revolution of 1911 are proof to this.

It is of interest to note that while in China the overthrow of the Ch'ing dynasty brought about the disbandment of most of these societies, the overseas secret societies survived.

The remainder of the article grapples with various activities of the secret societies. It touches upon their social stratification and specific features. The article traces the genesis of these social structures and their relation not only to the Chinese social and cultural tradition but to the male secret brotherhoods of the period of the class formation. It also analyzes the relation of the secret societies to other social structures, such as organizations of relatives of blood and various clan and community type organizations (pseudo-clan bodies).

The article investigates into the psychology and ideology of these societies, into the Taoist and Chan influence on their ideology and practice. Analyzing various aspects of their activity, the article suggests that these social structures are multi-functional.

The article attempts to find explanation of the stability of these traditional bodies. It demonstrates the evolution of these structures into social organizations of a modern capitalist city, which are similar in nature to other organizations of declasses. It is suggested that the survival of the overseas secret societies is accounted for, first and foremost, by the multi-structured nature of the economy and the ethnic heterogeneity of the society.

"East-West" in Context of Modern Iranian Culture

(Towards Problem of National Cultural Development)

V. B. Klyashtorina

Analyzing the Iranian social thought and press of the 1960-1980's, the article suggests that the interpretation of Western ideas in Iran was

determined by the need of the society to westernize. The critical analysis of the "East-West" problem, the evolution of pro-Western and anti-Western orientations in the Iranian social thought of 1970's gave rise to cultural nationalism both in culture and politics.

The article distinguishes three stages in the interpretation of the West. The 1960's were the years of the awareness of the national backwardness. The West was taken as an example and constituted simultaneously a suppressing factor. It was believed that the traditional fields of knowledge had no future. The 1970's marked the second stage, the integration of Iran into the world market. The unique nature of the Iranian cultural identity and the critique of the West characterize this period. The third stage of the Iranian cultural nationalism falls on the 1980's. The domination of the Islamic and nationalist ideology and the dogmatic interpretation of the anti-Western orientation as the only correct stand on the Western culture are fraught with progressing social and cultural isolation of Iran and slackening of the national development.

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### THIRD WORLD ISSUES

#### CAMBODIA'S TASKS, SUCCESSES IN INTRODUCING SOCIALISM NOTED

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 3-13

[Article by N. N. Bektemirova and Yu. P. Dementyev: "Cambodia on the Road to Socialism"]

[Excerpts] The current era has been marked by considerable success in the development of world socialism. In this respect, the experience of the People's Republic of Cambodia is extremely important and educative.

The present period in its history is a period of transition to the construction of the bases of socialism. Chronologically, it began with the formation of the Cambodian National United Front for National Salvation (CNUFNS) in December 1978 and the victory of the national popular-democratic revolution on 7 January 1979. Important milestones in its development were the elections to the National Assembly, the adoption of the constitution and the Fourth Congress of the Cambodian People's Revolutionary Party (CPRP)--events marking the restoration of the state and political structure destroyed by the excesses of Pol Pot's time. A declaration adopted by the National Congress of People's Representatives said that revolutionary patriotic forces in the country, who had risen up with weapons in hand to fight for the overthrow of the undemocratic Pol Pot regime, are now striving for the establishment of a truly democratic order in the country and for the construction of a peaceful, independent, democratic and nonaligned Cambodia, a Cambodia advancing toward socialism.<sup>1</sup> During the years since that time, the effects of Pol Pot's excesses have been erased from national life, and some of the objectives of the period of restoration have been attained.

The united front has a long tradition in Indochina as a form of national liberation movement. The establishment and reinforcement of a union of the working class and the peasantry, of all patriotic and democratic forces, were among the main strategic objectives of the Communist Party of Indochina and its successors, the Vietnam Communist Party (VCP), the Lao People's Revolutionary Party (LPRP) and the CPRP. During all stages of the liberation struggle, the Marxist-Leninist parties were the guiding force of the united anti-imperialist, patriotic and democratic fronts.

The CNUFNS declaration was different from the programs of earlier democratic or popular fronts in the national liberation movement of the countries of

Indochina because it stipulated the objective of the country's gradual advancement toward socialism. The declaration set forth the aims of front activity: the reorganization of democratic government at all levels and the drafting of a new constitution guaranteeing the democratic rights of the people. It underscored the need to create revolutionary public organizations to work with the CNUFNS.

The transition period of advancement toward the construction of a new society is taking place under difficult conditions in Cambodia, virtually in the absence of all of the material prerequisites for socialism. The social structure of the multistructured Cambodian society requires substantial reorganization. There is also important work to be done in the sphere of ideology. As a result of Cambodia's history, most of the Cambodians still have a petty bourgeois mentality, with elements of extreme individualism and nationalism. Buddhism is quite influential in the country, and the traditions of the cult of monarchic power also have some influence. This was pointed out, for example, by Cambodian Minister of Information, the Press and Culture Chheng Phon when he spoke of the tasks facing the country.<sup>2</sup> It is a fact that Cambodia is a peasant country. Nevertheless, the destruction of the community took place relatively early here and was more pronounced than in other countries of Southeast Asia; the country had a strong centralized monarchy, and the king was the chief secular and spiritual authority--all of this was one of the main reasons for the abovementioned features of the Cambodian society.

In its decisions on the reorganization of social relations in the country, the CPRP was particularly aware of the fact that the peasants in Cambodia had never been the legal owners of the land. This facilitated the nationalization of the land in accordance with the constitution; the purchase and sale of land were prohibited, as well as all forms of rent and so forth. When the party had to make decisions on new forms of agricultural organizations, it proceeded from the fact that mutual assistance had been characteristic of the labor of Khmer peasants.

Any discussion of the distinctive features of the transition period in Cambodia must include consideration of the severe effects of the legacy of the Pol Pot regime on the situation in the country. In the sphere of physical production the Cambodian Government had to start everything virtually from scratch, especially in the agrarian sector, by laying the foundations for a national economy and the bases for a state and political structure after these had been destroyed under the Pol Pot regime. The party encountered serious difficulties in the ideological indoctrination of laborers. Many of the terms connected with the country's advancement toward the construction of the bases of socialism were discredited in Pol Pot's time. For the peasants, who represented most of the population, the words "commune" and "communism" became symbols of chaos, poverty and devastation. This made it difficult to publicize socialist and communist ideas and to organize undertakings for the restoration and development of the national economy and culture on a new basis.

An important condition for the successful resolution of the country's problems was the establishment of close contacts between the Cambodian patriots and the

patriots of Vietnam and Laos and the reinforcement of Cambodia's international contacts. The conclusion of the treaty on peace, friendship and cooperation with Vietnam, signed on 18 February 1979, was important in the consolidation of Cambodia. The two fraternal countries pledged to base their relations on the principles of respect for sovereignty, nonintervention in internal affairs, equality and mutual benefit and to assist one another in the consolidation and defense of independence, territorial integrity and peaceful labor against the intrigues of imperialism and international reactionary forces. Vietnamese volunteers are on Cambodian territory by the terms of this treaty, and their presence here is not a threat to any third country but is solely aimed at safeguarding Cambodia's security.<sup>3</sup> Agreements on Cambodian-Lao cooperation in various fields were signed in March 1979.

The Fourth CPRP Congress was held in May 1981. The accountability report said that the CPRP, the leading and guiding force of the Cambodian people, would base its activities on the principles of Marxism-Leninism and proletarian internationalism, mobilize the people for the construction of the bases of socialism and represent a vanguard of the working class and the other laboring masses. The congress adopted a program of measures for the 1981-1985 period to restore the national economy and surmount economic underdevelopment. The party proclaimed the stabilization and elevation of the public standard of living to be the chief aim of its economic policy, and said that efforts would be concentrated primarily on the acceleration of agricultural development.

The program for the socioeconomic development of Cambodia was drawn up with a view to the experience of other countries during the initial period of socialist reforms, especially the experience of the Soviet Union (the NEP [New Economic Policy] experiment). The congress advised the preparation of prerequisites, with international assistance, for Cambodia's gradual transition to the construction of the bases of socialism. In accordance with congress decisions, three sectors are being established in the economy: state, cooperative and private. The state sector is made up of industry, transportation, communications, a high percentage of trade enterprises, and foreign trade. The state sector still accounts for only a small share of the economy, but in the future this sector and the cooperative sector should become the leaders.<sup>4</sup>

In addition to economic matters, the restoration of the party, the expansion and reinforcement of its ranks and questions of ideology were discussed at length at the congress. The party is still encountering certain difficulties, especially in the indoctrination of new members. The party leadership believes that although Cambodia needs a militant mass party, it would be wrong and even dangerous to force its creation.<sup>5</sup> Over the past 5 years, there have been noticeable successes in the revival of primary party organizations in provinces, cities, districts and the army. In June 1981 elections to the National Assembly were held, and the assembly then ratified the constitution.

The party leadership said that, during the period of transition to socialism, "three revolutions must take place--a revolution in production relations, a technological revolution and a revolution in ideology and culture."<sup>6</sup> Under

the specific conditions of Cambodia in 1979-1984, the first steps in this direction took the form of the "three revolutionary movements": movements for economic and cultural growth, for struggle against enemies, and for the creation and reinforcement of revolutionary forces.<sup>7</sup>

Changes in agrarian relations were the most important element of the radical socioeconomic changes in Cambodia. As soon as the people's revolutionary government had been established in the country, "mutual assistance labor teams" began to be created. They represented a variety of low-level cooperative unions, differing in their degrees of the collectivization of the means of production. What they had in common was the use of collective forms of labor. In Cambodia the land belongs to the state, which then turns it over to "mutual assistance labor teams" for unlimited collective use and to peasants for temporary use for private farming. This has resulted in two forms of land use: collective and private.

The collective form is represented by the "mutual assistance labor teams," which manage economic and production affairs and perform certain political functions. The members of these teams assist one another in the organization of agricultural production, defense and mutual security, and the maintenance of social order in their communities. The "mutual assistance labor teams" secure the observance of the political directives of the party and state.

Cambodia has three types of "mutual assistance labor teams." In the case of the lowest ("third") type, land received from the state is distributed to families. Tools of labor and livestock are privately owned. Production is conducted through the personal labor of the peasant and his family on the plot assigned to them. After paying a land tax, a "patriotic contribution," the peasant can dispose of the rest of the harvest at his own discretion. It was noted at the Sixth Session of the National Assembly (February 1984) that the members of this type of team are actually private traders.

The teams of the second type represent the initial form of collective labor organization. Each peasant family works its assigned plot. The peasant has his own tools of labor and livestock. For the performance of more labor-intensive farming operations, however, members of these teams unite their efforts (this usually occurs when rice has to be planted and harvested). This kind of mutual labor assistance is based on the ancient traditions of the Cambodian peasantry. Members of the team also unite their efforts for public works--the repair of roads, irrigation equipment and so forth. This type of team, which retains the individual peasant farm, based primarily on manual labor and primitive equipment, gives peasants a personal incentive to increase agricultural output and aids in cultivating the spirit of collectivism in team members.

"Mutual assistance labor teams" of the most advanced ("first") type are distinguished by a higher level of collectivization. Production in these teams is organized on the basis of the collective labor of their members; some of the tools of labor and livestock are collectively owned, and so is the land received from the state. The private livestock and tools of cooperative members are not collectivized. Members of the cooperative allow the team to

use their personal livestock and equipment only during seasons of the most intense agricultural work, and they receive financial compensation for this. Payment according to labor is practiced in the majority of these teams. During the distribution of income, the number of work days and the type and amount of work performed are taken into account. The by-laws of the first type of mutual assistance team envisage the calculation of a certain number of work days for various categories of disabled members. This system for the payment of the disabled is still being practiced on only a limited scale. Government agencies have pursued a flexible policy on the system of payment according to labor in teams of the first type: Payment according to the number of days worked is recommended for cooperatives with a relatively high income, but the distribution of income according to the number of mouths to feed is recommended for poorer farms.<sup>8</sup>

Cooperatives of all types usually unite from 10 to 15 families. The family is the basic production unit. The cooperatives in Cambodia were immediately joined by virtually the entire rural population. In 1984, 10 percent of the peasant farms were united in teams of the first type, 55 percent in teams of the second type and around 35 percent in teams of the third type.<sup>9</sup> The principle of gradual transition from the lowest to the highest forms was observed during the establishment of the cooperatives. In 1983 the party decided to strengthen "mutual assistance labor teams" of the first and second types "in the organizational, material and ideological respects, so that they can become a strong basis of government support in rural communities."<sup>10</sup> In spite of certain difficulties arising during the creation of the teams, they turned out to be a fortunate choice and have met all of the necessary requirements.

In addition to promoting the peasant cooperatives, the state is encouraging the development of the private sector. During the present stage, this could aid in the quicker resolution of a number of major economic problems, particularly agricultural recovery. In accordance with a Cambodian government decree (of August 1980), each peasant family was assigned a subsidiary plot of 0.15-2 hectares, large enough for a house, yard and garden, for indefinite use.<sup>11</sup> In addition, a peasant could receive a plot of land for temporary use for the cultivation of food crops. The state also offered peasants the use of virgin land for a period of 3 to 5 years; the period can be extended if cooperatives are unable to cultivate this land before the end of the initial period.<sup>12</sup> There are no rigid limits on the size of the peasant plot. For example, peasants in Takeo Province received from 3 to 7 hectares. It is true that the number of workers in the family is taken into account when land is distributed and when the size of the individual allotment is determined, so that a family will not receive more land than it can work. The fact that the land is state property is viewed as a guarantee against the spontaneous development of capitalist relations in rural areas. All agricultural products raised on the private plot are the property of the peasant and can be sold freely on the market.

In 1982 the country covered its own rice needs.<sup>15</sup> A stable food supply has not, however, been established yet. A single-crop system still exists in agriculture because cooperative and private farms have concentrated on solving food problems. Subsidiary peasant farms are also used primarily to raise food crops, so that the minimum subsistence level can be secured.

As the stabilization of political and economic affairs in the country progressed, special attention began to be paid to the improvement of agricultural management and the more extensive use of fertilizer, high-quality seeds and irrigation systems. The third republic congress of agricultural workers (1982) announced the aim of the intensification of farming, especially rice farming, and the augmentation of yield through the more extensive use of mineral fertilizer and the development of seed-farming and irrigation.<sup>16</sup>

The achievements in agricultural production are indisputable evidence of the successes of the popular order and evidence of the accuracy of the party's chosen line of building the bases of socialism. An indicative part of this is the combination of state and collective forms of agricultural production, as the leading forms, with private production.

There was also some progress in the restoration of industry, where the decisions of the Fourth CPRP Congress assigned priority in the next few years to the development of small- and medium-scale industry and crafts using local raw materials and requiring no large capital investments. Medium-scale industry is developing primarily within the state sector, and crafts are developing in the cooperative and private sectors. In 1983 there were 59 state enterprises with 14,000 employees in the country, as well as 1,727 craft shops and 6,000 craftsmen.<sup>23</sup>

The CPRP is paying close attention to the development of industry, viewing it as the necessary basis for the augmentation of the size of the working class and improvement of its qualitative composition. This is the most important "internal" factor securing the leading role of the working class in a peasant country such as Cambodia. As the resolution of the first congress of Cambodian trade unions (December 1983) stressed, for example, it is necessary for "the working class, despite its small size, to become the guiding revolutionary force in society."<sup>24</sup>

The young republic has an acute need for cultural reform, especially the establishment of a new system of education. It is no secret that the Pol Pot-Ieng Sary clique launched brutal attacks on cultural and educational establishments, completely destroyed the existing system of education and murdered the overwhelming majority of specialists and even people who were simply literate. The polytechnical, medical and pedagogical institutes and other academic institutions were closed. During the years of the Pol Pot excesses, 75 percent of the teachers, 96 percent of the university students and 67 percent of the students of secondary schools died.<sup>25</sup> After restoring academic institutions under incredibly difficult conditions, the CPRP resolved to secure the close unity of the ideological-political, labor and moral training of youth. The compilation of a long-range 3-year plan for the development of public education was completed in 1982. It focused attention on the need to improve the qualitative indicators of the entire system of education and national personnel training and to strengthen the material and technical base of academic institutions.

The transition period in Cambodia has been marked by an intense struggle against counterrevolution. Hostile elements, subversive groups sent in from



Thailand and outright gangsters--former members of Pol Pot's forces--have tried to undermine the popular order from within. In the central provinces, counterrevolutionaries have tried to infiltrate the government and mass public organizations for the purpose of seizing positions of leadership in them, compromising CPRP policy, acting in ways calculated to discredit government undertakings in the eyes of the public and sabotaging the implementation of government decisions. In the sparsely populated provinces of outlying regions, the counterrevolutionaries have openly called for the overthrow of the popular government. The CPRP has worked hard to strengthen the revolutionary vigilance of the population; the slogan "Each citizen is a militiaman" has been coined and implemented.<sup>28</sup> Self-defense detachments have been created in establishments, at enterprises and in rural communities. The population is not only exposing counterrevolutionary groups and repulsing the attacks of Pol Pot's gangs, but is also actively re-educating those who were involved in subversive activity by the enemy through force or fraud.

The third and fifth plenums of the CPRP Central Committee attached great importance to ideological work with the population. A republic conference on ideological work was held in February 1982. After stipulating the long-range strategic aims of the consolidation of revolutionary forces and organs of revolutionary power, the Central Committee plenums instructed party workers to develop and reinforce public social organizations (of youth, women and trade unions) and to raise the political, cultural and professional standards of party members and cadres.<sup>29</sup>

Trade unions have played an important role in the consolidation of the popular revolutionary government and the promotion of economic recovery. Cambodian trade unions have more than 62,000 members--workers and employees--<sup>32</sup> and perform important political-indoctrinational functions at a time when the party organizations of the majority of enterprises and establishments are extremely small. They have been assigned duties connected with the explanation of domestic and foreign policy, the exposure of the intrigues of enemies of the revolution and the propagandization of revolutionary successes, the socialist way of life, and the role and place of the working class in the new society. Trade unions are the organizers of the patriotic competition under the slogan "Three wells" (Work well, fight well, study well).

The party and government of Cambodia have underscored the great importance of tasks connected with the construction of the bases of socialism in the country. The main tasks are the creation of a mass Marxist-Leninist party and the resolution of the peasant question--that is, the question of the working class' ally in the future development of the Cambodian revolution. The CPRP acknowledges that Cambodia's advancement toward socialism will be a lengthy process and will require the preparation of the necessary material and social prerequisites.

The sociopsychological similarities of the peasantry and working class in Cambodia constitute the basis for their natural alliance, but they also complicate the elevation of the proletarian consciousness and the confirmation of the working class' leading role in this alliance. This contradiction is being resolved through stronger contacts with fraternal Marxist-Leninist parties in

the Soviet Union, Vietnam, Laos and other socialist countries. In this context, these countries play the role of the "ideal proletariat" in the Cambodian revolution's advance along the road to socialism.<sup>37</sup> Obviously, this presupposes, and does not preclude, the resolution of the problem by means of internal factors--considerable effort to increase the size of the proletariat, to develop its class awareness and so forth.

The existence of the necessary initial internal conditions creates the real possibility of Cambodia's gradual progression toward the construction of the bases of socialism. At the same time, the Cambodian experience demonstrates the particular importance of international contacts in the resolution of the country's socioeconomic problems and the protection of its people's revolutionary gains.

The considerable success the Cambodian people achieved in national recovery after the overthrow of the criminal Pol Pot regime and the profound socioeconomic reforms they have instituted in the country testify to the irreversibility of ongoing changes in the society. The message the CPSU Central Committee, Supreme Soviet Presidium and Council of Minister of the USSR sent to the CPRP Central Committee and the Cambodian Council of Ministers and State Council on the sixth anniversary of the victory of Cambodian revolutionary patriotic forces<sup>38</sup> said that these successes confirmed the accuracy of the historic choice made by the Cambodian laboring public. There is no doubt that the people of this country will win new and important victories in the revolutionary reorganization of the society and in the construction of a prospering Cambodia on the road to socialism.

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### THIRD WORLD ISSUES

#### EAST-WEST CULTURAL CLASH IN IRAN EXAMINED

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 45-55

[Article by V. B. Klyashtorina: "'East-West' Issues in the Context of Present-Day Iranian Culture (An Inquiry into the Issue of Cultural Nationalism)"]

[Excerpts] The view of Western literature, scientific ideas and cultural stereotypes in Iran has always depended on the specific historico-cultural and sociopolitical context. Even back in the middle of the 19th century, at the time of the Iranian revolution of 1905-1911 and then in the 1920's, each time the Iranian society embarked on a course of modernization, the need arose to learn about progressive Western experience. At these times, new attitudes toward Iranian cultural achievements were cultivated in the national mind. The Iranians' appraisals of "their own" and "alien" cultures underwent constant changes. Their acceptance of Western authority during the initial stages of modernization was often accompanied by negative feelings about their own culture, arising as a reaction to national backwardness. The expansion of cultural contacts and the growth of nationalist feelings in the public mind gave rise to an increasingly positive attitude toward national traditions and, consequently, a more critical one toward anything Western.

This alternation of cultural appraisals periodically repeated itself in the country's history. The cultural situation in Iran in the 1970's was one of the periods when criticism of the West prevailed.

The "white revolution" attached Iran firmly to the world capitalist system, made the country more dependent on the industrially developed West and promoted the accelerated modernization of the economy.<sup>1</sup> The "Westernization" of economic practices inevitably changed the customary way of life. The Americanization of everyday life, education, upbringing and social standards spread through the country and was accepted first by neo-comprador circles. The lower and middle strata, whose status remained virtually unchanged under capitalism, saw these cultural changes as an attack on national traditions, religious ethics and morality. For this reason, many Iranians then equated political and social liberation with liberation from foreign diktat and a return to old spiritual values. "The revolution and future changes," Iranian historian Masjid Jamei wrote, "are more cultural than political, because the East gradually realized, first of all, that it could not gain political or economic independence without true cultural independence and, secondly, that the social ideal has a natural connection with historical, cultural and social factors."<sup>2</sup>

The cultural situation in Iran in the 1970's had features characteristic of many other Asian countries, especially oil-producing states. When these countries learned that they had valuable resources, they also realized how wide a gulf separated them from the industrial countries in many other respects. This is why the psychological changes connected with the introduction of modern, mainly Western, values into daily life had such a painful and severe impact in the developing countries.

In this decade, the unequivocal (colonial) difference between the oppressed underdeveloped countries and the oppressive industrial countries gave way to the quite ambiguous and complicated differences of today's diverse world. This is what engendered the new characteristics of the national ideology of developing countries in the 1970's: the revival of cultural traditions and the desire to assert their own values rather than trying to "catch up" with the West; this is also the reason for the predominance of the principle of culture and civilization in the nationalist consciousness of the people and leaders of these countries, who used this as the basis for their idea of a special "third path" of development.

Other features characteristic of this current were ideological isolationism and an attempt to compensate for social and economic dependence with declarations of cultural independence. An important role was also played by the psychological need of previously oppressed people to vindicate their cultural heritage and to reappraise and overestimate their contribution to present-day civilization.<sup>3</sup> These characteristics of the maturing national consciousness were also present in Iran.

Iranian culture in the 1960's was marked by increasing quantities of translations of European fiction and more earnest investigations of the history, culture and sociology of the Western world. This was a time of the acceptance of Western theories and the permeation of Iranian literary criticism, sociology and history with modern scientific terminology. The development of Iranian culture was examined in the broad context of interaction with worldwide processes, and research was filled with attempts to find parallels with events in Western culture and to cultivate all the best traditions of world civilization on Iranian soil. The roots of Eastern mysticism were compared to the roots of existentialism, and comparisons to aspects of foreign culture were increasingly abundant in works on literary history.<sup>4</sup>

As the Iranians gained a strong national consciousness and "discovered" their own traditions, their view of Western culture gradually changed. Their earlier admiration of Western progress, which was noticeable in the 1950's and 1960's, began to wane, giving way to criticism. The nationalist ideology gradually won their minds by arousing interest in their own past, history and ancient culture and, what was most noticeable, in Islam and in its spiritual and social mission.

These tendencies were quite apparent in studies of culture and scientific thought. Cultural subject matter occupied a prominent position, if not the main one, in works by Iranian scientists, public spokesmen and intellectuals. It was discussed at length in statements by officials of the shah's

administration. All of this attested to the new political significance of culture in the life of a society on the threshold of revolutionary events.

The escalation of economic, social and political tension was reflected in the culture, attaching special importance to questions of cultural heritage, religious movements and history. When the "Iranian cultural heritage" or "Islamic culture" were discussed, the terms included the strong historico-cultural features of the Western Renaissance, Restoration and Age of Enlightenment, and new interpretations were given to the concepts of humanism, modernism and many others. The process of ideological and cultural reorientation was gradual, but it became most apparent in the middle of the 1970's.<sup>5</sup> In journalism, for example, the new term "Westernism" (gharbzadegi) signified the general spiritual and political dependence on the capitalist West and, in the more narrow sense, the servile imitation of Western cultural stereotypes by the Iranian bourgeoisie.

The reappraisal of Western history and culture in Iran was engendered by Iranian spiritual needs and by ideological processes in Western thinking, with its prevailing tendency toward undiscerning Orientophilia and negative attitude toward Western cultural values in the 1960's. Many works by bourgeois scientists and sociologists in the West frankly acknowledged a situation of crisis. The term "overdevelopment" appeared in Western scientific literature as the ideological antonym of "underdevelopment," while the question "Why is Asia so backward?" collided with another question: "Does the East need to catch up with the West and does the West not need to learn from the East?"

These features of Western studies of culture affected the opinions of many Iranian authors, especially ideologists, expressing the official point of view. In this respect, the ideas Seyyed Hossein Nasr, prominent philosopher and researcher of Islam, expressed in his work "The Ideological Basis of the Conflict Between Iranian Culture and Western Culture" are indicative.<sup>6</sup> The work was written in the form of a general methodological program. It clearly reflected a desire to establish new criteria for the evaluation of world events. "Imitation of the West and study of the West are two different things," S. H. Nasr wrote. "We will not understand the West until we overcome the after-effects of the tremendous injuries our culture has suffered, until we learn to evaluate these injuries from every vantage point."<sup>7</sup> Nasr examined the centuries of cultural contacts with the West from only one vantage point, a negative one, he used the term "conflict" or "collision" (barkhord) to refer to these contacts and he believed that the resulting situation could be overcome only through resolute national and religious isolationism. It is interesting that such severe criticism of the West was voiced by a renowned author who had published many of his works on history and philosophy in English and French and had studied the history and philosophy of the Western and Eastern worlds extensively.<sup>8</sup>

Whereas the works of S. H. Nasr had previously emphasized the importance of the Muslim culture's contribution to world philosophy and had underscored the humanism, rationalism and spirit of inquiry in Islamic art, now the scholar saw Islamic spiritual values primarily as an unconditional belief in God. "Our understanding of the human being," S. H. Nasr wrote, "is based on our view of

him as a celestial being living on the earth and 'corresponding' to the image of the God who created him. This is precisely the view of man in Islam and other great Eastern cultures, which see him primarily as a spiritual being living on the earth only temporarily. It is the duty and the mission of man to guard the foundations of spirituality and guard the mark of God on his forehead...."10

This current of Iranian critical thinking coincided completely with the theories of the Western radicals who were zealously attacking the entire spirit of the civilization of the "Latin West." Iranian authors supplemented the ideas of Western radicals with criticism of the imperialist cultural "mission" of the West during the era of its colonial conquests in the East. During the process of the forcible introduction of its own culture throughout the 18th and 19th centuries, S. H. Nasr said, the West was incapable of stimulating a new round of development in the Eastern civilizations, and the East was incapable of counteracting the colonizers' expansion with a viable alternative pattern of development. As a result, something like an "imitation of the West" prevailed in the East--an attempt to transfer some extremely superficial elements of the Western culture to Eastern soil. "If we want to emerge from this conflict with the West as the winner," S. H. Nasr wrote, "if we want to develop our common features, we must first seek the indestructible and eternal foundations of our culture. We must always remember that the West is an aggressive culture, a culture which attacks but is simultaneously seized by inner decay and crisis."12

The unsuitability of the Western model of development for Iran was the main thesis of the majority of works by Iranian cultural experts in the 1970's. Criticism of the Western experience was supposed to aid in the avoidance of Western mistakes. This is the reason for the emphasis on spiritual revival and the view of Western culture as a useful lesson in how not to develop. The rejection of Western cultural experience and the praise of historical and cultural traditions testified that the national consciousness was seeking support from the past in its meeting with an unfamiliar future. The cultural views expressed by Iranian ideologists followed a polar kind of logic: At one pole there was the negative interpretation of the Western culture and patterns of development, and at the other there were the positive features of the national cultural traditions and social practices in the past. As if they were taking revenge for their people's long centuries of silence and humiliation, the Iranian authors now confronted their recent oppressor with his own weapon--the arguments of Western bourgeois philosophy, history and critical analysis.

Anti-Westernism and Islamization--these two tendencies were interdependent and interrelated in the ideological theories of Iranian ideologists: The more severely the West was criticized, the more highly the importance of Islam to national consolidation was praised. The grandeur of pre-Islamic and Islamic traditions was supposed to serve as an alternative to the crisis of values in the capitalist West. These traditions were supposed to serve as a source of historical and moral experience in the future. These traditions were also supposed, in the opinion of Islamic ideologists, to revive the ethical principles world culture had lost. Iranian official circles also

spoke of Islam as the optimal universal social doctrine of the world, with Iran representing the center of this world, a synthesis of Eastern and Western traditions and "a bridge between the two spiritual worlds."<sup>13</sup>

It is interesting that Iranian cultural analysts did not use the term "Western" only as a synonym for "capitalist." It also referred to the socialist world.<sup>18</sup> The bourgeois nationalist consciousness compared the two paths of development and "tried them on for size," using differences in culture, religion and civilization as its criteria.

The effects of the cultural factor on the country's social and political affairs (and this factor was also manipulated by official ideology) gave the sphere of culture a seemingly autonomous and self-contained appearance. It appeared that the main conflicts were concentrated in cultural developments, and discussions of East-West relations acquired the dimensions of a major social issue. In essence, however, these were inquiries into Iran's future course of development. The references to the Islamic heritage in statements by Iranian ideologists were less indicative of the revival of religious values than of a search for Iran's own ("neither Eastern nor Western") development model. References to Islam created the illusion of the possible avoidance of both the capitalist and the socialist paths. Iranian ideologists were also seeking an escape from semicolonial dependence in the cultural, social and political program of Islam. This is why the issue of attitudes toward the West, of so-called "Westernism," occupied such a prominent place in the country's spiritual life in the 1960's and 1970's.

Other researchers did not view the "East-West" issue from the negative nationalist standpoint so perceptible in the works of official ideologists. M. A. Eslami Nowdushan compared the systems of reasoning in the two historico-cultural areas: "The Iranian spiritual tradition is based more on intuition and internal discovery than on logic and scientific perception.... Our way of thinking, which was disseminated through poetry and folklore, and also through religious works, suddenly conflicted with the Western thinking of Descartes, and it was then that the Iranian society displayed its inclination to substitute the Western way of thinking for the traditional way. Was it able to do this? No. But this is no cause for regrets. Only the dilution of the real sources of Iranian thought, with nothing taking their place, warrants regret. Since we could get everything we needed from the West, we did not respond to stimuli for investigation and inquiry."<sup>28</sup>

In essence, this is an examination of the familiar issue of "Westernism"--the issue of the dependence of Iranian spiritual and scientific life on foreign technical and cultural influences. In contrast to D. Ale Ahmad, however, M. A. Eslami Nowdushan does not associate the country's cultural and technological underdevelopment with the erosion of religious feelings and does not see Islam as a defense against Western cultural aggression. In his opinion, the resistance of dependence and the development of Iran's own culture demanded the acknowledgement of the need for scientific progress and for Iran's own cultural traditions.

The author views Iran's consumer attitude toward the achievements of developed capitalist countries in the 1970's as an impasse. "Our scientists took neither



Al-Ghazali nor Oppenheimer as a model. The Iranians did not retain the spirit of the traditional scientist with his characteristic sincerity and simplicity. They also did not become researchers of the Western type, with their characteristic zeal and devotion to science.... They could not accept Western logic, and the traditional way of thinking was lost without a trace."<sup>29</sup>

The nationalist view of culture and of East-West relations became popular among official ideologists and among the broad masses of the middle strata and lumpenproletariat. The culturological discussions in mass publications were accompanied by a growing wave of protest, rejecting foreign standards of behavior and taking the form of a general anti-Western cultural movement. The increasing social tension in the country took on a "culturological" appearance. The current of anti-Western cultural protest in the 1970's was supported and led by religious groups, who realized the important political implications of the cultural slogans. In one of the first books of eye-witness accounts of the events in Iran, French authors wrote: "We understood completely why the Iranians were rejecting the West. After all, what the shah offered them in the guise of Western culture was essentially only a caricature.... The cultural aspect of the Iranian revolutionary movement was just as strong as the social aspect. After living in oppression for many years, the Iranian people are now experiencing a particularly acute need for the free expression of ideas. Many opponents of the revolution and American observers underestimated the cultural aspect of the movement, which was just as important as the economic aspect."<sup>36</sup>

In the 1980's the anti-Western tendency was reflected during the "cultural revolution" (enghelab-e farhangi) announced by the Islamic leadership of the country.<sup>37</sup> The insistence on Islamic education and on the priority of Islamic elements of culture evolved into the ostentatious rejection of all forms of cultural contact with the Western world. The slogan "neither Eastern nor Western--Islamic" (na sharqi, na gharbi--eslami) now applies less to culture than to foreign policy, symbolizing an independent policy line in the minds of Islamic ideologists.

The issue of "East-West" relations and the issue of cultural heritage occupied a prominent place in Iranian culture in the 1960's, 1970's and 1980's. Similar cultural processes were seen in other developing countries. The severity of the confrontation with Western ideals served as the basis there for the development of a nationalist ideology and a nationalist view of the national culture. Judging by the tendencies of past years, this confrontation of ideas in the sphere of culture will continue and will grow stronger, in spite of the inexorable processes of integration into the world economic system, and perhaps even as a defensive reaction to them.

The irreversibility of integration processes and the mutual vital need for contacts between the East and the West will continue to have a significant impact on the maturation of the national consciousness in the developing countries. Cultural nationalism, serving the functions of ideological and cultural compensation, will probably occupy an increasingly prominent place in the spiritual and ideological life and even the political affairs of these countries.

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## THIRD WORLD ISSUES

### POLITICAL, ECONOMIC, MILITARY FACTORS OF U.S.-S. AFRICA TIES

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 78-86

[Article by T. N. Tutova: "United States and South Africa: Aspects of Bilateral Relations"]

[Text] The increasingly overt line of convergence with the racist regime in South Africa and of economic, political and military support for its actions against the African national liberation movement is part of the global strategy of the U.S. administration, which is striving to actively impede progressive changes in African life and is supporting reactionary forces in all parts of the world. This clear tendency in foreign policy in the first half of the 1980's was already apparent when President Nixon was in office. At that time, U.S. policy in South Africa was based on the assumption, formulated in NSC-39, that white minority rule in South Africa and Rhodesia would last for a long time and that the native population had no chance of gaining political rights. In accordance with this, a policy of open contacts for the sake of Western interests was recommended in relations with South Africa. The Ford Administration essentially continued to pursue the same policy. It is true that the American administration had to change its tactics and make its support of the racist minority less perceptible in the middle of 1975 in connection with the defeat in Vietnam and the possibility of U.S. involvement in the civil war in Angola, a war in which South Africa was an active participant. In particular, the administration had to support the granting of independence to Southern Rhodesia. The Carter Administration also refrained from open cooperation with the racists and expanded relations with independent African countries. Nevertheless, the tendency to view South Africa as a potential ally was still present in Washington's foreign policy strategy. Under the Republican administration of Ronald Reagan, this tendency grew stronger. Furthermore, factors of political ideology and military strategy occupied a special place in U.S. South African policy. "How could we leave a country which has been on our side in every war to the mercy of fate? How could we do this to a country of strategic importance to the free world from the standpoint of the minerals we need?" Reagan declared in one interview.<sup>1</sup>

Despite the importance of political and military-strategic factors, which have now become the leading factors in American policy toward South Africa, U.S. economic interests must not be underestimated as the bases of this policy. South Africa is still the most important object of American capital

investments in Africa south of the Sahara. In 1982, for example, South Africa accounted for 49.5 percent of all direct U.S. investments on the continent. The rate of increase in American capital investments in South Africa, as Table 1 illustrates, was higher some years than in the rest of the African countries. Over one decade (1970-1980), direct investments increased more than eightfold--from 286 million dollars to 2.35 billion.<sup>2</sup>

Table 1

Direct U.S. Investments in South Africa  
(A--millions of dollars; B--rate of increase or decrease in comparison to previous year, %)

Years	South Africa	All other African countries	Total direct U.S. investments abroad
1978 A	1,968	3,175	167,804
B	9.8	13.3	12.0
1979 A	2,011	3,615	192,648
B	21.8	13.8	15.0
1980 A	2,350	3,778	215,578
B	11.7	4.5	11.1
1981 A	2,636	4,282	227,342
B	12.1	13.3	5.4
1982 A	2,513	5,069	221,343
B	-4.7	18.4	-2.6
Total B	27.69	59.65	31.9

Calculated according to data in SURVEY OF CURRENT BUSINESS, August 1979-1983.

In 1972, FORTUNE magazine explained South Africa's appeal to American companies: "The Republic of South Africa has always been regarded by foreign investors as a gold mine, one of the few places where profits are high and problems are minor. Capital is not threatened by political instability or nationalization. Labor is cheap, the market is active, and the currency is stable and convertible."<sup>3</sup> Now, however, profitability cannot explain the high growth rates of investments in South Africa. In 1981, for example, South Africa ranked 20th among the 45 countries with the most highly developed economies in terms of profitability.<sup>4</sup> The depression of 1976 and 1977, caused by mass public demonstrations, and the subsequent drop in gold prices in 1981-1983 lowered the profit margin of American direct investments.

The favorable investment climate, created by the South African Government to attract foreign capital, is a much more important factor of the growth of American direct investments. Foreign investors in South Africa are granted a number of privileges, including low tariffs. Besides this, direct investments provide opportunities for the more effective penetration of the South African domestic market, where the sale of goods manufactured by American companies is quite lucrative.

One of the aspects of South African investments appealing to American companies is the low cost of unskilled labor, which is kept low by means of

racial discrimination.<sup>5</sup> It also, however, limits the size of the domestic market. For this reason, foreign companies, including American firms, are interested in a new phenomenon in South Africa--the African "middle class" the regime has created in order to expand its class base; this could augment public purchasing power. The U.S. Government and American businessmen support this racist initiative: In particular, the American Agency for International Development gave South Africa a nonrefundable grant of 3 million rands within the framework of a 5-year program for the encouragement of African private enterprise.<sup>6</sup> It is significant that the expansion of the domestic market is being impeded by the high production costs in labor-intensive fields in connection with the shortage of skilled labor in South Africa.<sup>7</sup> Therefore, the policy of apartheid is contributing to the growth of American investments in South Africa on the one hand and restricting them on the other.

Table 2

Profits on Direct U.S. Investments in  
South African Industrial Sector (%)

<u>Investment sphere</u>	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
South Africa	11.8	11.1	11.2	17.9	28.3	18.6	7.7
Other African states	21.8	21.6	16.9	37.9	37.2	24.9	18.1
All direct invest- ments abroad	13.8	13.4	14.9	19.6	17.3	14.3	10.3

Calculated according to data in SURVEY OF CURRENT BUSINESS, August 1977-1983.

Some people in the United States still believe that the "danger of nationalization" of foreign companies, which is present in other African countries, does not exist in South Africa. But there is less and less reason to trust the political stability of the country. The African people's struggle against racial oppression is growing more intense, and this is complicating the operations of American transnational corporations. In 1982, for example, 394 strikes and work stoppages were recorded. To secure "safe" conditions for TNC operations, the South African defense forces asked foreign companies to aid them in the organization of a militia made up of white workers.<sup>8</sup>

Appraisals of the significance of American direct investments in South Africa cannot be based only on quantitative indicators. For the regime in Pretoria, American investments are not simply a source of capital, advanced technology and so forth, but also, and mainly, evidence of U.S. political support. Members of the South African Government admit that "the presence of such companies as Ford and General Motors is a sign of international support."<sup>9</sup> Around half of the direct U.S. investments in South Africa were made by major U.S. corporations--General Motors, Mobil, Texaco and Ford<sup>10</sup>--with a great deal of influence in Washington's foreign policymaking.

The intensification of political instability in South Africa is changing the structure of the bank loans to the racist regime: a decrease in long-term and

medium-term loans and a dramatic increase in short-term loans. In June 1982, for example, 86 percent of the U.S. loans extended to the racists had to be repaid within a year, 12 percent had to be repaid within 1-5 years, and only 2 percent were extended for 5 years.<sup>11</sup> Short-term loans are extended to assist South Africa in the resolution of urgent problems--the correction of the deficit in its balance of payments and the resolution of liquidity problems. Their total increased from 1.8 billion dollars in June 1981 to 3.7 billion in December 1982.<sup>12</sup>

As for investments in stock capital, the United States owns 57 percent of the stock of gold and platinum mining companies on the Johannesburg Stock Exchange. According to a secret report compiled in June 1983 by the U.S. consulate general in Johannesburg, real U.S. financial investments in South Africa far exceed official data published by the Department of Commerce--direct investments, bank loans and portfolio investments actually totaled 14.6 billion dollars.<sup>13</sup> The authors of the report concluded from this that the curtailment of U.S. investments in South Africa could have a more serious effect than anticipated on the South African economy. This confirms the great significance of Washington's economic cooperation with Pretoria in maintaining the apartheid system.<sup>14</sup>

Table 3

U.S. Trade with South Africa and Other African Countries  
(millions of dollars)

<u>Countries</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
South Africa	36,956	57,840	53,670	4,335
Other African countries	306,757	413,113	38,168	280,412

Calculated according to data in SURVEY OF CURRENT BUSINESS, 1980-1983.

The United States played a decisive role in the extension of an IMF loan of 1.1 billion dollars to the racist regime on 3 November 1982 despite the objections of representatives of Asian and African countries. The loan was approved by the votes of 8 (out of 22) executive directors controlling 52 percent of the IMF votes, and the United States itself accounts for 19.64 percent of the votes.<sup>15</sup> Officially, the loan was extended to South Africa to cover its negative balance of payments due to the falling price of gold and to finance a 3-year program of "economic stabilization." South Africa did not have to pledge to reduce its state budget deficit, reduce imports or satisfy any other of the IMF's usual requirements. Therefore, the extension of the loan was political in nature and was intended to support apartheid.

The Republic of South Africa is the United States' largest and most lucrative trade partner in Africa. According to our calculations, South Africa accounted for 23 percent of all American exports to Africa and 11 percent of its imports in 1982. In 1979 the United States took England's place as South Africa's leading trade partner.

The expansion of trade with the racist regime was part of the U.S. economic policy of the early 1980's. The slightly lower 1982 indicator was due largely to the reduction of American imports from South Africa in connection with the falling prices of gold and platinum and the reduction of deliveries of diamonds and gold Krugerrands. Whereas the United States accounted for around half of the exports of these coins, for a sum exceeding 2.5 billion dollars, in 1980, the European countries took the United States' place in 1981 and became the largest market for these coins.<sup>16</sup> The main American exports to South Africa are ore, sheet metal, motor vehicles, airplanes and mining, power engineering and other equipment. Their trade is mutually beneficial, and American ruling circles have no plans for its restriction, much less the severance of commercial ties.

South Africa's military-strategic importance to American imperialism stems from three factors: the geographic location of the country, its military strength and its mineral resources, in which the U.S. military-industrial complex is particularly interested.

It is precisely the geographic location and strategic potential of the country (bases, airfields and shipyards) that constitute South Africa's so-called geopolitical significance in the network of Washington's interests. The shipping lane around the Cape of Good Hope is an important transport route connecting the Western countries with the East. Now up to 70 percent of all raw materials of strategic importance to the NATO countries are shipped along this route.<sup>17</sup> The appearance of a large number of supertankers, allowing for the transport of oil at a much lower cost than on conventional tankers through the Suez Canal, and the general growth of the scales of world trade have increased the importance of this route. Whereas 540,000-800,000 barrels of oil a day were shipped around the Cape of Good Hope in 1965 and 1966, the figure is now 12-18 million barrels, including 57 percent of the oil shipped to Western Europe and 20 percent of the oil shipped to the United States.<sup>18</sup>

The military strength of the racist state is growing. South Africa has the strongest army in Africa and ranks 10th in the world in arms production. It achieved this status largely through the help of the Western powers, which violated the UN embargo by issuing it licenses for the production of certain types of weapons. The owner of the South African Armscorp company called the South African military industry "the main factor in the continuation of white rule."<sup>19</sup> The South African army not only defends the racist order in the country but is also actively used by Pretoria as an instrument for the destabilization of the situation in other countries of the region, especially the neighboring countries of Angola, Mozambique, Lesotho and Zimbabwe. The South African Government has eagerly offered its territory to Western countries for the installation of military bases. The U.S. Navy has already acquired access to Simonstown and even to Durban and Walvis Bay. The United States is also interested in the Advokaat observation and communication system, the Saldanha Bay naval base on the west coast and many airfields throughout the country.

In the early 1980's the United States continued to help South Africa become a nuclear power. By the terms of an agreement concluded back in 1972, it pledged to concentrate the South African uranium from which fuel rods would

be produced in France for the reactors of the Kurgan nuclear power plant. In 1976, when the United States signed the Nuclear Nonproliferation Treaty, prohibiting the export of nuclear materials to countries not accepting the terms of IAEA control, the Carter Administration stopped all shipments of concentrated uranium to South Africa. Officially, the Reagan Administration has adhered to this line, but the South African press reported that deliveries of concentrated uranium to the United States have been unimpeded.<sup>20</sup> American assistance in the development of the South African nuclear program also includes the training of nuclear specialists. In 1981, for example, another 20 South Africans underwent this training. Besides this, the relaxation of restrictions on exports of several goods allowed the racists to acquire the complex Cyber 170/750 and Amdal 470/B7 computers from American companies for an industrial and scientific research center in Pretoria.<sup>21</sup>

An appraisal of South Africa's military-strategic importance to the United States must also consider NATO bloc interests. South Africa is included in the NATO plans to expand the bloc's sphere of influence to the entire Atlantic Ocean. The Pentagon has paid much more attention to southern Africa since the loss of U.S. influence in Southeast Asia. The increasing military-strategic importance of southern Africa is also closely related to the U.S. plans to extend the zone of "responsibility" of the rapid deployment force to the South Atlantic and Indian Ocean. The Pentagon's plans to create the SATO military bloc, made up of South Africa, the United States, Argentina, Australia, Uruguay and Brazil, have met with the approval of Pretoria, which regards them as a method of convergence with Washington and as a promising way of surmounting political isolation.

Mineral resources are also an important consideration in appraisals of South Africa's strategic importance: It ranks fourth in the world in non-fuel mineral extraction. Imports from South Africa cover all or part of the U.S. demand for uranium, chromium, magnesium, platinum, gold, vanadium, antimony and asbestos (see Table 4). The U.S. Senate Subcommittee on Mines called South Africa the "Persian Gulf of metals" for America and recommended the development of close relations with it.<sup>22</sup>

The convergence of the United States and South Africa has been largely due to the ideological agreement of ruling circles in the two countries on the matter of anticommunism. In the struggle against the national liberation movement, which today's American leaders call "international terrorism," the United States is turning southern Africa into a bridgehead for struggle against the "communist threat." South Africa has been assigned the role of executor in the plot to stifle progressive forces.

American political scientists often view the current American administration's South African policy as a qualitatively new development in U.S. foreign policy. What is new is not its aims, however, but the forms and methods of its implementation. The policy of "constructive cooperation" arose as a counterbalance to President Carter's campaign for the condemnation of the racists and as a result of growing U.S. interests in southern Africa. The pressure exerted by the South African lobby in Washington also played a role in this process by popularizing a view of South Africa as an indispensable supplier of valuable minerals, reinforcing this with references to the ideological similarities of the two countries.



Reagan Administration spokesmen have justified the policy of "constructive cooperation" with the assertion that South Africa will supposedly respond to U.S. concessions and the expansion of diplomatic, economic and military contacts with the white minority regime by relaxing apartheid and settling the Namibia question. The facts indicate, however, that the United States is unconditionally supporting the racists in the talks on Namibia and is striving for the establishment of a puppet regime headed by obedient "black leaders" in this country. It was precisely the United States that brought the talks to an impasse by demanding that the granting of independence to Namibia be linked with the withdrawal of Cuban troops from Angola. At the beginning of the 1984 election campaign in the United States, the Washington administration became a more active "mediator" in the talks on Namibia in the hope of definite political dividends. The "shuttle" trips of the engineer of the policy of "constructive cooperation," U.S. Assistant Secretary of State for African Affairs C. Crocker, grew more frequent. The culminating point of this policy was the meeting of representatives of Angola, South Africa and the United States in Lusaka in February 1984 to negotiate the withdrawal of South African troops from the Angolan territory occupied in 1981 in exchange for Angola's promise to stop supporting SWAPO. No real steps, however, were taken in the direction of progress. South Africa's talks with SWAPO in Lusaka in May 1983, where a cease-fire was again the topic of discussion, just as it had been in Geneva in 1981, were broken off by South Africa.

Table 4

U.S. Dependence on Mineral Shipments in 1978-1979

Mineral (alloy)	Demand satisfied by imports (%)	Imports from South Africa	
		% of total U.S. imports	% of demand satisfied by imports
Chromium			
Ore	100	46	46
Ferroalloy	55	72	40
Magnesium			
Ore	98	15	15
Ferroalloy	71	58*	42*
Vanadium			
Pentoxide	30	72	22
Ferroalloy	--	--	--
Platinum group	90	67**	60*

Source: "South Africa: Time Running Out," Los Angeles, 1981, p 311.

\* Including some ferromagnesium from France and countries trading with South Africa.

\*\* Including South African imports from Great Britain.

The issue of apartheid ceased to be the "central" issue in U.S. policy toward South Africa in the 1980's. American researcher J. de St. Jorre said this



was due to "the administration's preoccupation with the Namibia question."<sup>23</sup> Of course, this was not the case; the present order of priorities is the logical result of the policy pursued by the American administration.

The U.S. position on matters of South African internal development in the 1980's was essentially aimed at strengthening white minority rule and preserving capitalist production relations in the country. The Reagan Administration did not suggest any new means of struggle against apartheid. Proposals of economic sanctions, as the most effective way of eradicating apartheid, always aroused objections from the American Government and business community. Among Americans, the most popular means of "correcting" apartheid was the code of behavior for American companies known as the "Sullivan principles," adopted in 1977 on the initiative of L. Sullivan, a Baptist minister from Philadelphia. It included the cessation of the segregation of all races in everyday life and on the job; equal and fair hiring practices; equal wages for equal or comparable work; the preparation and institution of programs to train black and other colored South Africans for administrative jobs and an increase in the number of blacks and members of colored minorities in managerial positions; a higher standard of living for the colored population and the improvement of housing conditions, transportation services, education and medical treatment.<sup>24</sup> These "principles" were a large forced response by U.S. businessmen to increasing public demands for the withdrawal of investments from South Africa. The code of "fair business practices" has been held up as a radical means of "correcting" apartheid, but its proposed steps are incapable of shaking the foundations of the racist order. This is understandable because the companies which have officially accepted the "Sullivan principles" have invested money in South Africa (they include Mobil, Standard Oil of Ohio, Ford, Caltex South Africa and General Motors) and have an interest in maintaining apartheid. The insignificance of the "Sullivan principles" is all the more obvious in light of the fact that American companies hire less than 1 percent of all workers in South Africa. Nevertheless, the Reagan Administration is making no attempt to perform even this minimal task: By May 1983, only 150 of the 360 American companies operating in South Africa had signed the "principles." A third of them are actually not observing these principles, and another third are not providing any kind of information on this matter.<sup>25</sup>

The policy of "constructive cooperation" included the establishment of an American-funded higher engineering school in Soweto for black South Africans, the issuance of student grants and a rise in the number of South Africans studying in the United States (the funds allocated for this purpose were increased for 4 million dollars a year). The American Federation of Labor organized training for black labor activists, and the U.S. administration promised to allocate a million dollars a year for this purpose in 1984 and 1985.<sup>26</sup>

The issue of apartheid in South Africa is being debated in the U.S. Congress. The American legislators are standing guard, however, over the interests of the business community. In 1982 the House Subcommittee on African Affairs voted for an amendment proposed by S. Solarz, a liberal Democrat from New York. It concerned the export regulation act and prohibited U.S. imports of South African Kruggerands and the extension to the South African Government by

American banks and other credit organizations (with the exception of loans for education, housing construction and public health care) and stipulated the compulsory observance of the "Sullivan principles." After the subcommittee had approved the amendment, it was rejected by the full House.<sup>27</sup> It was discussed again in Congress in 1983, and this time it was supported by the Committee on Foreign Affairs. Finally, a joint Senate and House conference rejected the amendment in January 1984 when it was opposed by the Senate Banking Committee and the administration. Congress also rejected the Berman Amendment concerning the control of exports of so-called non-military goods for the South African Army and police, the Dixon Amendment on the extension of an IMF loan to the racists, and amendments prohibiting new American loans and investments in South Africa and the export of nuclear materials to that country. The only amendment to become law prohibited the U.S. Government from supporting South Africa's request for an IMF loan if the Congress should decide that the loan would not be used for the benefit of the majority of South Africans and would not be needed to cover a deficit in the balance of payments.

Besides this, branches of American firms operating in South Africa secured their interests in the event of a U.S. embargo on trade with South Africa by planning ways of keeping their profits inviolable with the aid of corporate affiliates.

Certain forces in the United States advocating the relaxation of apartheid are not motivated by a desire to improve conditions for the underprivileged black majority, but by the fear of the possibility of radical changes and a desire to secure American capital investments in the event of such changes. South African researcher R. Convey had this to say about the U.S. response to apartheid: "The United States has too much at stake in this region and cannot pretend to be neutral or play the part of a fair mediator. It is the chief accomplice."<sup>28</sup>

As for the recent "constitutional reform" in South Africa, it has been highly praised by U.S. politicians, who see it as a positive result of "constructive cooperation." Under Secretary of State L. Eagleburger called the new constitution "the first step toward broader political rights for the black majority."<sup>29</sup> The racists themselves are known not to share this opinion and have no intention of creating a black parliamentary chamber. The UN General Assembly condemned the reform, but the United States "abstained" from the vote. In this way, the United States supported the "cosmetic" reform of the apartheid system, intended to camouflage its least attractive features and strengthen the position of the racists. The U.S. position in the United Nations is evidence of its support of the racist regime. During the votes on 12 1982 UN General Assembly resolutions on apartheid, the United States voted against 10 (and it was the only one in two of these cases) and abstained the other two times.

The American public and some labor, student and other organizations, however, are demonstrating against apartheid. Under their influence, laws have been passed in three American states--Connecticut, Massachusetts and Michigan--and in a number of cities to prohibit investments in the South African economy by American companies.

American policy toward South Africa is contrary to the U.S. statements condemning racism and apartheid. In the early 1980's the Washington administration was actually supporting the racist regime, reinforcing its economic base, camouflaging its reactionary essence and opposing the international campaign for comprehensive sanctions against this regime.

#### FOOTNOTES

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4. SOUTH AFRICAN DIGEST, 15 January 1982, p 23.
5. In 1972 the correlation of African to white wages was 1:20. By 1982 the situation had changed somewhat: The African's average monthly wage was 212 dollars, and the white worker's wage was 1,080 dollars--that is, 1:5. The lowest wages were paid to migrant workers from neighboring states in temporary jobs (CONGRESSIONAL RECORD, 20 June 1983, E3028).
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7. For more detail, see V. M. Sharinova, "South Africa: 'Color Barrier,'" NARODY AZII I AFRIKI, 1983, No 1, pp 19-29.
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16. NEW STATESMAN, 3 April 1981, p 11; THE STAR, 7 January 1982.
17. AFRICAN AFFAIRS, April 1982, No 323, p 161.
18. Ibid.

19. THE STAR, 7 July 1981.
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21. THE CHRISTIAN SCIENCE MONITOR, 28 October 1982.
22. "Nonfuel Minerals Policy Review: Oversight Hearings Before the Subcommittee on Mines and Mining of the Committee on Interior and Insular Affairs, House of Representatives, 96th Congress, Senate Committee on Foreign Affairs," Wash., 1980, pp 39-40.
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26. DEPARTMENT OF STATE BULLETIN, 1984, No 2082, pp 43-44.
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29. THE TIMES, 25 June 1983.

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### THIRD WORLD ISSUES

#### BAHRAIN'S OIL-BASED ECONOMY, ATTEMPTS TO DIVERSIFY DISCUSSED

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 June 85) pp 87-93

[Article by V. A. Lutskevich: "Distinctive Features of Bahrain's Socio-economic Development"]

[Text] After World War II, independent states sprang up on the site of former British possessions and protectorates in the Near and Middle East. They included the Arab State of Bahrain, located on the 33 islands of the archipelago of the same name in the northwestern Persian Gulf. This is the only insular state among the Arab countries and the smallest in area.<sup>1</sup> On 14 August 1971, Bahrain declared its independence, and its ruler, Shaykh Isa bin Sulman Al-Khalifa, was officially named the amir of the State of Bahrain. That same year, Bahrain became a member of the United Nations and the Arab League. In June 1973, the constitution of the new state was ratified, and Bahrain was declared a constitutional monarchy. In December 1973 elections were held to the National Assembly (or parliament), a legislative body. The assembly was made up of all of the members of the government and 30 deputies elected by the population. In 1975, however, the amir dissolved the assembly and suspended the constitution, using as a pretext the disagreements in the assembly and government over the exercise of constitutional rights and the laboring public's unrest in connection with the government's refusal to authorize the creation of trade unions. No new elections have been held since that time, and all legislative and executive power has been concentrated in the hands of the amir and his appointed government.

During the colonial era Bahrain was a backward and poor country. Its small population was engaged in the pearl trade, fishing and coastal trade. In the oases, the inhabitants raised mainly date palms. Perceptible changes began to take place in the life of the population of these islands after the discovery of oil deposits in 1932. Bahrain was the third Persian Gulf country, after Iran and Iraq, where oil production quickly took the leading position in the economy.

The history of Bahrain oil is the history of fierce inter-imperialist competition between the United States and Great Britain for the oil riches of the Persian Gulf. It is interesting that the first step in the expansion of the American oil monopolies was taken precisely in Bahrain on 30 November 1927,

when the British Eastern and General Syndicate gave up its concessionary rights to the Eastern Gulf Oil Company, an affiliate of the Gulf Oil Corporation, an American monopoly. The transfer of the concession was protested, however, by English oil companies citing the terms of the "red line" agreement of 31 July 1928 of participants in the Turkish Petroleum Company (called the Iraq Petroleum Company after 1929).<sup>2</sup> At the end of 1928 the concession was transferred to the American Standard Oil Company of California (Socal), which was not bound by the terms of this agreement. The concession cost the corporation only 50,000 dollars.<sup>3</sup>

The subsidiary Socal created for Bahrain oil production in 1929, the Bahrain Petroleum Company (Bapco), extended its concession to the entire archipelago up to the year 2024. Therefore, Bapco had actually had absolute control in Bahrain since the 1930's, paying only concession fees. In November 1974 the Bahraini Government followed the example of Iraq and other oil-producing countries and nationalized the property of foreign oil companies, announcing its intention to acquire 60 percent of the Bapco stock, and in 1979 it announced the complete nationalization of this company. Its property and oil rights were transferred to a state company, the Bahrain National Oil Company (Banoco), founded in July 1976. Banoco initially sold petroleum products on the domestic market and investigated possibilities for the use of casing-head gas.<sup>4</sup> In 1980 it acquired 60 percent of the stock in a Bapco-owned refinery and was granted the right to sell petroleum products, including jet aircraft fuel, in foreign markets. It then took on all of Bapco's functions after it had been nationalized, thereby becoming the largest company in the Bahraini oil industry. Banoco was still, however, completely dependent on Western oil monopolies for equipment, technology, expert services and so forth.

Just as in all of the oil-producing Persian Gulf countries, oil revenues are the basis of Bahrain's economic development: They account for up to 70 percent of all budget revenues. There are significant differences, however, between the economic structures of Bahrain and the other Arab gulf countries. The main reason is that known oil reserves in Bahrain are far smaller than reserves in Iraq, Kuwait, the UAE or Qatar, not to mention Saudi Arabia; they amounted to only 122 million tons in 1983 (according to some estimates, these reserves will be depleted by 2000).<sup>5</sup> For this reason, oil production, which reached its maximum in 1970--76,000 barrels a day (3.8 million tons a year)--is constantly decreasing: In 1984 the output was only around 2 million tons.<sup>6</sup> Oil is extracted from the only onshore field, Awali field, in the center of the island and from the offshore field of Abu Saafa, where the oil is produced jointly with Saudi Arabia and is divided evenly between them. Bahrain, a member of the Organization of Arab Petroleum-Exporting Countries (OAPEC), follows Saudi Arabia's lead in its oil policy and is in a position of virtually complete economic dependence on Saudi Arabia.

The constant reduction of the oil output and the corresponding reduction of oil revenues forced ruling circles in Bahrain to seek ways of alleviating the economy's dependence on oil much earlier than in other Persian Gulf countries. The main step in this direction was the construction of oil and gas refineries. Back in 1935 the American Caltex Company, formed as the result of a merger of

the Middle Eastern branches of the Socal and Texas Oil Company (Texaco) monopolies, built a refinery with a daily output of 10,000 barrels of crude oil--one of the first in the Persian Gulf zone. The plant was enlarged several times in subsequent years. A large oil storage tank and a special pier for tankers were built on Sitta Island, connected to Bahrain Island by a levee. The refinery on Sitrah Island can now process 250,000 barrels a day (12.5 million tons a year). This is one of the largest plants of its kind in the Near and Middle East, although in recent years it has not operated at full capacity and has produced 10-11 million tons of petroleum products, exporting around 90 percent of them.<sup>7</sup> Since the plant can handle more oil than Bahrain produces, oil is bought in Saudi Arabia and pumped to Bahrain through a special pipeline. Therefore, Bahrain is simultaneously an importer of crude oil (up to 50 percent of its total annual imports) and an exporter of petroleum products (over 70 percent of its exports). After the nationalization of Bapco, which owned the plant on Sitrah Island, a new company was formed in 1981 to manage and maintain the plant and was called the Bahrain Petroleum Company BSC (with 60 percent of the stock owned by Banoco and 40 percent by Caltex).

The depletion of known reserves has stimulated more active prospecting. At the end of 1983 Banoco gave the Kuwaiti Kufpec Company the oil prospecting concessions to an area of 2,600 square kilometers on the northeastern shelf of Bahrain for a period of 35 years.<sup>8</sup>

The gas industry in Bahrain has displayed rapid development. Known gas reserves rose from 23 billion cubic meters in 1971 to 210 billion in 1983, and gas production rose from 314 million cubic meters to 3.7 billion.<sup>9</sup> The Bahrain National Gas Company (Banagas), founded in 1979, with the government of Bahrain controlling 75 percent of its capital and Caltex and the pan-Arab Arab Petroleum Investment Corporation controlling 12.5 percent each, built a plant in Awali for the production of liquefied fuel gas, using previously liquefied casing-head gas. Butane, propane and naphtha are produced for export, as well as scrubbed gas for fuel. Reserves of casing-head gas for the liquefied gas plant are limited, however, and are constantly being reduced by the depletion of oil fields.<sup>10</sup> Although the importance of gas to the national economy is constantly growing, revenues from gas are still far exceeded by oil revenues.

The future development of the Bahrain oil and gas industry will depend on a number of factors. First of all, the depletion of Bahrain's own oil reserves is making the country even more dependent on Saudi Arabia for deliveries of crude oil for refining; secondly, there is stronger competition in the world market for the main petroleum products as a result of the lower demand for these products in the developed capitalist countries and the perceptible growth of their output in the oil-producing Persian Gulf countries; thirdly, Bahrain's shortage of finances is growing more acute. Under these conditions, ruling circles in Bahrain are trying to solve new problems by stepping up the construction of enterprises for the reconversion of oil and gas with the latest Western technology and with capital primarily from Saudi Arabia and Kuwait (on a private or intergovernmental basis). In recent years Bahrain has made active use of the financing opportunities afforded by the Persian



Gulf Council on Cooperation, created in March 1981 by the governments of Bahrain, Qatar, Kuwait, the UAE, Oman and Saudi Arabia. The FINANCIAL TIMES made the valid comment that Bahrain is one of the countries "reaping most of the economic benefits from development within the council framework."<sup>11</sup>

An indicative example is the petrochemical complex which began to be built in 1981 at a cost of 400 million dollars. After its completion in 1985, the complex will produce 350,000 tons of methanol and 350,000 tons of ammonia a year by refining part of the products of the Sitrah plant. The complex belongs to Gulf Petrochemical Industries, which is owned equally by the governments of Bahrain, Kuwait and Saudi Arabia.<sup>12</sup> The technical and economic plans have been drawn up for a large plant in Bahrain with a capacity of 80,000 barrels a day (4 million tons a year) to convert heavy oil into light petroleum products. But the Heavy Oil Conversion Company (with the government of Bahrain controlling 40 percent of its stock and the governments of Saudi Arabia and Kuwait controlling 30 percent each) has not made any final decision on the construction of this plant, mainly due to the high costs of construction and equipment, estimated at 1.5-1.8 billion dollars.<sup>13</sup> The construction of a tire plant with funds from the cooperation council is also planned. The plant of a private Bahraini company, Gulf Acid Industries, was completed in 1984 and has a projected yield of 9,000 tons of sulfuric acid a year, the raw materials for which are also supplied by the Sitrah plant.

The second priority in the search for alternatives to oil revenues is the establishment of export-oriented enterprises using oil and gas only as fuel. The first enterprise of this type was the plant of the Aluminum Bahrain (Alba) Company, which began operating in 1971 and produces 170,000 tons of aluminum a year. The government of Bahrain now owns 58 percent of the Alba stock, Saudi Arabia owns 20 percent, Kaiser Aluminum (United States) owns 17 percent and Breton Investments (FRG) owns 5 percent. The plant operates on bauxite imported from Australia and local natural gas. The part of the annual product belonging to Bahrain and Saudi Arabia (around 133,000 tons) is exported to countries in the Near East and Japan by the Bahraini-Saudi Balco Company. Aluminum now ranks second after petroleum products in Bahraini exports. The production of aluminum cable has also been organized in Bahrain (at the plant of the private Middle Cables Company), as has the production of construction equipment (the Balexco Company) and of powdered aluminum for paint manufacture. Some of these products are also exported. Work has begun on the augmentation of the Alba plant's capacity by around 30,000 tons a year.<sup>14</sup> The Gulf Aluminum Rolling Mill company (with Bahrain, Iraq, Kuwait and Saudi Arabia owning 20 percent of the stock each, and Qatar and Oman owning 10 percent each) is building a plant for the production of 40,000 tons of aluminum sheet, wire and foil a year. According to estimates, this plant will satisfy 40-50 percent of the Persian Gulf countries' demand for these materials.<sup>15</sup>

The largest industrial facilities in Bahrain, and even in the entire Persian Gulf, include the ship repair complex of the Arab Shipbuilding and Repair Yard (ASRY) company. It was completed in 1977 at a cost of 340 million dollars; its construction was financed by the OAPC countries, which own equal shares of ASRY capital.<sup>16</sup> Before the dry dock in Dubai (UAE) was completed

in May 1983, this complex was the largest ship repair enterprise in the Persian Gulf. It consists of a dry dock for the repair of supertankers of up to 500,000 tons, specialized moorings and repair shops. The complex repaired more than 400 ships between December 1977 and June 1981.<sup>17</sup> In recent years, however, its operational load has decreased perceptibly due to the reduction of shipping, especially in the case of oil tankers, in the Persian Gulf and due to competition from the dock in Dubai.

An artificial island is being built east of the ASRY complex for the construction of a metallurgical plant of the Arab Iron and Steel Company (AISCO), with a projected output of 4 million tons of iron pellets a year. It will process iron ore from India, Brazil and Peru. Most of the AISCO stock is owned by private Kuwaiti companies and individual businessmen and by three Bahraini banks. The plant is being built by the Japanese Kobe Steel firm, and its products are to be exported to Arab countries.

Along with the establishment of large industrial complexes, the development of light industry with the aid of private national capital has been given more attention in the 1980's. The Bahrain Light Industries Company (Blico), owned by the State Social Insurance Organization and the National Bank of Bahrain, and the Gulf Investment Company plan to build a furniture factory at a cost of 8 million dollars. The furniture is to be sold on the domestic market and in the Persian Gulf countries.

Therefore, the industrial development of Bahrain is being accomplished through the extensive attraction of foreign capital and through active participation by state-capitalist companies and banks in the construction of industrial enterprises. Ruling circles in Bahrain are also making every effort to encourage private capital investments in industry, but this policy has not been given the necessary support by the wealthy substratum of the population, which prefers to invest in real estate, trade and other service branches.<sup>18</sup> Only in construction has local capital been perceptibly active. This is confirmed by the data on the distribution of local bank loans in 1982: More than 30 percent were extended for commercial transactions, around 30 percent for construction, 20 percent for "personal needs," 6.8 percent for the development of enterprises in the processing industry and only 0.2 percent for agricultural production.<sup>19</sup>

According to the plan for the economic and social development of Bahrain in 1982-1985 (now extended to 1987), state capital investments in agricultural development were set at 26 million Bahraini dinars (69 million dollars). The degree of satisfaction of the domestic demand for food is to be raised from 6 percent in 1982 to 16 percent in 1985.<sup>20</sup> The main projects in this field include the construction of hothouses with artificial irrigation for vegetables, broiler factories, a date processing plant and a state dairy farm with an area of 150 hectares. Agricultural development is being inhibited by a number of factors: the growing shortage of fresh water, the reserves of which are being depleted much more quickly than oil reserves; salinization of the soil due to the rising level of salty ground water; reduction of the area of land suitable for cultivation (more and more land is being used for roads and for production and residential buildings); reduction of the labor force

in this sector. In all, agriculture produces just over 1 percent of the Bahraini GDP. Another traditional trade, fishing, is also declining. In 1979, for example, the Bahrain Fishing Company ceased operations after the almost complete disappearance of the gulf shrimp.<sup>21</sup>

The economy of Bahrain is sometimes, and with good reason, called a "service economy." It is true that the portion of the GDP represented by services in 1982--56.7 percent--far exceeded the combined shares of the extractive and processing industries, agriculture and construction (34.1 percent).<sup>22</sup> Bank and insurance services represented 16.5 percent of the GDP in 1982. Back in October 1975 the government began to work on a plan to turn Bahrain into a major financial and credit center in the Persian Gulf, similar to Singapore in the Far East. The plan took into account Bahrain's proximity to the oil-producing countries of the region, abundant sources of financial resources, and the existence of a well-developed regional infrastructure, including a system of communication with Europe and North America, one of the largest international airports in the region, a modern sea port, a broad network of hotels and so forth. Considerable importance is attached to the maintenance of a relatively stable domestic political environment. Several extremely liberal laws have been passed on the operations of foreign companies and banks. It is also significant that the Bahraini government plan was facilitated by the decline of Beirut, as a result of the Israeli aggression against Lebanon, as the main financial center of the Arab East in the recent past. Many of its functions were assumed by Bahrain. This was reflected first in the establishment of "offshore banking units" in Bahrain by the largest banks in the capitalist countries and several developing states. These establishments, which operate with the permission of the Bahraini Currency Administration, have no right to conduct banking operations within the country. They are authorized to solicit funds from international, state and private organizations in the Near and Middle East and arrange for the financing of various construction projects, commercial operations and other forms of business outside Bahrain.<sup>23</sup> At the end of 1982 there were around 160 branches of foreign banks in the country.<sup>24</sup> The assets of the "offshore banking units" increased from 6 billion dollars in 1976 to 60 billion in 1984. More than 49 percent of this sum (around 29 billion dollars) was invested in the economies of the Arab countries; around 67 percent of the liabilities of these units (39.4 billion dollars) consisted of deposits from Arab countries.<sup>25</sup> Bahrain's own banking system is well developed, and the largest local banks are trying to expand their operations on the regional basis.

The presence of the "offshore banking units" and of other agencies of foreign companies is convenient for Bahrain in several respects: They secure the possibility of credit for large projects, contribute to the national budget in the form of local taxes (an estimated 15.9 million dollars in 1984 and 18.6 million in 1985), promote the development of the infrastructure and, what is most important, provide more jobs for the local population (according to estimates, around 10,000 people were employed in the banking sphere in 1984).

The state of the Bahraini "service economy" depends on the state of the world capitalist market. This became particularly apparent in the 1980's. Almost all branches of the Bahraini economy experienced serious difficulties as a

result of the depression in the developed capitalist countries and the reduction of income and business activity in the oil-producing Persian Gulf states as well as the Iran-Iraq war. Economic growth rates fell from 9 percent in 1981 to 5 percent in 1983, and they were expected to stay at this level in 1984 and 1985.<sup>26</sup> The increasing difficulties were reflected in the cuts in capital investments in the budgets for 1982-1983 and for 1984-1985, and actual allocations were smaller than the projected figures in the 6-year plan for economic development. Twice in 1983 the government reduced budget subsidies to control gas and diesel fuel prices for the native population. Nevertheless, there was a budget deficit of 47 million Bahraini dinars (127 million dollars).<sup>27</sup> Payment for the use of fresh water is to be instituted within the next 2 years. The rate of inflation is around 3 percent a year. Great hopes for the revival of commercial activity have been associated with the projected completion of the Saudi-financed 25-kilometer dam-bridge and highway connecting Bahrain and Saudi Arabia in late 1985 or early 1986.

The escalation of tension in the Persian Gulf is having a negative effect on the situation in the country. Military expenditures are rising, and Bahrain is growing more dependent on the United States in the military-political sphere. According to reports in the press, in 1982 the government asked the United States to sell it five F-5E fighter planes, which were supposed to constitute the nucleus of the Bahraini Air Force. The flight crews for these planes are being trained in Saudi Arabia. The construction of an air force base in southern Bahrain with U.S. aid is being planned.<sup>28</sup> As Prime Minister Khalifa bin Salman Al-Khalifa said, Bahrain offered the American interventionist rapid deployment force "basing possibilities."<sup>29</sup>

Political stability in Bahrain is also being jeopardized. A conspiracy plotted by the illegal Islamic Front for the Liberation of Bahrain, supported by Iran, was exposed in December 1981. The 72 arrested members of the organization who had planned a coup d'etat were given long prison sentences. At the beginning of 1984 the police discovered a cache of weapons and ammunition on Al-Marh farm, 16 kilometers west of Manama, and a local man who was arrested admitted that he belonged to an illegal organization.<sup>30</sup> These events aroused serious worries in Bahraini ruling circles because the most acute internal political problem is still the problem of Sunnite-Shiite relations. In contrast to other Persian Gulf countries, where Sunnites are predominant, in Bahrain the majority of the population are Shiites (up to 60 percent, according to some estimates), whereas the ruling elite, particularly the Al-Khalifa clan, are Sunnites. Ever since the Iranian revolution, many Shiites in Bahrain, especially the young, have regarded Ayatollah Khomeini as their religious leader. It is no coincidence that all of the persons accused of antigovernmental activity have been Shiites. For the time being, domestic stability is being secured by the reinforcement of ties with Saudi Arabia within the framework of the December 1981 security treaty.

The social problems in Bahrain have much in common with problems in other Persian Gulf countries. The main one is the high rate of population growth, resulting primarily from increased immigration from the Arab countries, India and Pakistan. The population increased from 216,000 in 1971 to 358,800 in 1981 and, according to estimates, it exceeded 400,000 in 1982.<sup>31</sup> In contrast to, for example, the UAE, where the native population has become the

minority, the natives of Bahrain represent more than 65 percent of the population. The regime is trying to maintain social stability by giving the native population substantial material privileges on the one hand and restricting immigration on the other. Foreign workers are usually deported after the completion of construction projects. In addition, contrasts between the standard of living of the feudal bureaucracy and commercial-financial elite and that of the overwhelming majority of plain citizens still exist and are even growing stronger.

In contrast to neighboring countries, Bahrain is distinguished by a high percentage of native participation in economic activity, and not only in the service sphere. Citizens of Bahrain represent, for example, 80 percent of the personnel of Banoco, the largest company in the country.<sup>32</sup> The possibility of employing local skilled labor is one of the reasons that the headquarters of many inter-Arab banks, companies and other organizations are located in Bahrain. Nevertheless, the dependence on foreign workers and specialists still exists.

These are some of the characteristic features of the socioeconomic and political development of the State of Bahrain. The future will provide a better indication of the effectiveness of the development model chosen by its ruling circles, the stability of the regime's position and the probability and prospects of social and political changes in national life.

#### FOOTNOTES

1. The area of Bahrain is 598.3 square kilometers; the country will actually turn into a peninsula after the completion of the dam and highway connecting it with Saudi Arabia.
2. This agreement was concluded on 31 June 1928 by the members of the Turkish Petroleum Company consortium (known as the Iraq Petroleum Company after 8 June 1924). By its terms, any oil concessions received by any member of the consortium had to be offered to the other companies as well (in proportion to their invested capital). Since the Gulf Oil Corporation was a member of the consortium, it had no right to dispose of the concession arbitrarily.
3. I. V. Timofeyev, "Strany Persidskogo zaliva v politike imperializma" [The Persian Gulf Countries in Imperialist Policy], Moscow, 1983, pp 10-11.
4. "The Gulf Handbook 1978," London, 1977, p 52.
5. BIKI, 6 March 1984.
6. "UN Statistical Yearbook 1972," N.Y., 1973, p 180; MIDDLE EAST ECONOMIC DIGEST, 1984, No 6, p 5 (hereafter called MEED).
7. FINANCIAL TIMES SURVEY: BAHRAIN, 31 May 1983 (hereafter called FTSB).

8. MEED, 1984, No 1, p 9.
9. "UN Statistical Yearbook 1972," p 182; BIKI, 4 February 1984.
10. The natural gas in Bahrain has a low content of the fractions needed for the production of liquefied fuel gas.
11. FINANCIAL TIMES, 1 June 1982.
12. "The Middle East and North Africa 1982-1983," London, 1982, p 288 (hereafter called "MENA"); MEED, 1984, No 4, p 7.
13. FTSB, 31 May 1983.
14. MEED, 1984, No 4, p 7.
15. FTSB, 31 May 1983.
16. "Arab Countries: Handbook for the Businessman and Traveller. 1977-1978," Athens, 1977, p 8.
17. "MENA," p 289.
18. "Bahrain. A MEED Special Report," September 1982, p 14.
19. FTSB, 31 May 1983.
20. "Bahrain. A MEED Special Report," September 1982, p 8.
21. "MENA," p 289.
22. FINANCIAL TIMES, 8 May 1984.
23. "MENA," p 288.
24. "Bahrain. A MEED Special Report," September 1982, p 37; FTSB, 31 May 1983.
25. "Bahrain and the UK. A MEED Special Report," April 1984, p 11; MEED, 1984, No 44, p 12.
26. MEED, 1984, No 1, p 10.
27. "Bahrain and the UK. A MEED Special Report," April 1984, p 11; MEED, 1984, No 45, p 8.
28. MEED, 1984, No 5, p 8.
29. MEED, 1982, No 20, p 13.
30. Ibid., 1984, No 6, p 5.
31. "MENA," p 289.
32. MEED, 1982, No 42, p 8.

## THIRD WORLD ISSUES

### DEVELOPMENT PROGRAMS, RESEARCH OF ETHIOPIAN INSTITUTE VIEWED

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 109-113

[Article by Ye. S. Sherr: "The Ethiopian Institute of Development Research"\*]

[Text] The Institute of Development Research (IDR) of the University of Addis Ababa was founded in 1972. In this way, the university acquired its own research base for the study of socioeconomic issues, the investigation of problems in the improvement of nationwide planning and the organization of applied research projects for sectorial departments.

Prior to the national democratic revolution of 1974, the institute received considerable assistance from the Western countries, especially the United States, which gave it financial and material subsidies and sent scientists and trainees to work in the institute. The first IDR director was an American specialist. This assistance was rendered because the United States regarded the monarchic Ethiopian regime as one of its closest military-political allies in Africa and was aiding it in the economic and scientific spheres. During those years the institute also worked with the University of Scotland in Strathclyde, the graduates of which were sent to Ethiopia to teach and to conduct field investigations. In turn, the IDR sent its trainees to Scotland. After 1974, U.S. and English aid to Ethiopia was cut, and this affected the IDR's foreign contacts. In essence, both of these countries completely ceased all aid to the institute through government channels.

The IDR's main current difficulties are the shortage of qualified scientific personnel and the limited amount of budget allocations, a significant portion of which are earmarked for special purposes, often defined less by the recipient than by the donor. The IDR's activities are financed by the budget of the University of Addis Ababa and by Ethiopian state agencies subsidizing certain contracted projects, as well as by several foreign government and international organizations. The latter include the Ford and Rockefeller foundations, the International Development Research Council of Canada (IDRCC), the Swedish Agency for Research and Economic Cooperation with Developing Countries (SARECDC),

\* The article is based on a record of the author's conversations with IDR administrators from 1978 to 1983. He thanks his Ethiopian colleagues for their kindness in informing him of the institute's work.



the African Social and Economic Research Development Council (ASERDC) with its headquarters in Dakar, specialized UN organizations--the IDA (a branch of the IBRD), UNESCO, UNICEF, ILO, FAO, UN Demographic Center and others, the World Organization of Universities, the Association of African Universities, the East African Association for Research in the Social Sciences (EAARSS), with its headquarters in Addis Ababa, and others.

With funds from the Ford Foundation and an IDA grant, the institute is studying peasant cooperatives, the use of water resources and the modernization of agricultural technology and is financing a project for the cultivation of sorghum and the use of mills to grind grain in the Hararje regional administration. Funds from the SARECDC, which the IDR receives through the Ethiopian Commission for Science and Technology, subsidize projects in agricultural development, especially a project conducted by the revolutionary government of the country in 1975 to investigate the socioeconomic effects of agrarian reform. Ethiopian organizations, including the IDR, have been cooperating for several years with scientists from the ASERDC, created under the auspices of the UN ECA. Ethiopia is a member of the council executive committee, and the IDR has participated in the planning of council projects, particularly a project to study the activities of transnational corporations.

Specialized UN organizations are financing several IDR projects connected with the development of Ethiopian agriculture. UNESCO is aiding the institute in a project for the study of education in rural areas. This topic became quite pertinent after the revolution, when a nationwide campaign was launched for economic and cultural development, including a successful struggle against illiteracy.

The EAARSS, with scientists from the local university among its administrators, coordinates scientific research in East Africa, solicits funds and distributes them among countries and among projects of interest to the UN ECA and the OAU. The IDR is participating in some of these projects. In addition, the institute is cooperating with the Medical Sociology Department of Leyden University (Holland) in the study of medical services for the rural population and traditional medicine, and with the Stuttgart Regional Development Planning Institute (FRG) in the study of planning. In line with an agreement on cooperation between the IDR and this institute, the Ethiopian side annually sends scientists and instructors to the FRG for post-graduate studies and intensive training, invites West German specialists to teach courses in Ethiopia and acquires scientific literature for its document center. This cooperation is financed by the Ebert Foundation and by FRG government grants.

The IDR has established contacts with scientific institutes in a number of socialist countries, but these have not been developed widely yet. In the opinion of the IDR director, expressed during a conversation with the author of this report, the institute is interested in an exchange of delegations with the Africa Institute of the USSR Academy of Sciences for the negotiation of joint investigations of general aspects of the socioeconomic development of African countries, problems in planning and the development of agricultural production, and so forth.

In recent years IDR studies have paid considerable attention to the use of manpower and the country's water resources, examined the significance of agrarian reform in the socioeconomic development of the rural community and analyzed the conditions and possibility of broader educational work in rural areas.

Studies contracted by government agencies occupy an important place in IDR activity. For example, the institute took part in a project of the Supreme Centralized Planning Council (SCPC) for the compilation of a 10-year plan for the socioeconomic development of Ethiopia (1985-1994) and employment programs, and it also studied pricing, the improvement of agricultural technology and other topics. A descriptive institute research program is compiled periodically. For example, in the program for 1985 and 1986 priority was assigned to the study of agricultural development because "Ethiopia is a primarily agrarian country, with the majority of its population living in rural areas and earning a living from agriculture."\* The program includes a list of recommended research topics and explains the aims of each project. The current program included, for example, such topics as the correlation of national production growth to product distribution, the socioeconomic implications of agricultural planning, food problems, human resources, demographic dynamics, the distribution and use of natural resources, problems in the development of the processing industry, and planning models. Within the framework of this program, IDR researchers are investigating such topics as agrarian reform and the level of peasant participation in national economic development, famine and the role of environment, the importance of markets in rural development, the evaluation of labor productivity at state enterprises, the role of the state sector, the importance of forestry in the Ethiopian economy, the status of urban associations in the administrative structure and others. This subject matter is quite pertinent today, now that the revolutionary government is trying to assess the value of reforms, define future development patterns and analyze objectives in the development of the social sciences.

It is indicative that Ethiopian scientists are researching topics of great importance to modern Africa and present-day Ethiopia. For example, a study by IDR researcher Dessalegn Rahmato, "Cabral and Problems of Revolution in Africa,"\*\* in which the political views of the great African revolutionary are analyzed, is of considerable interest.

Some of the other works by IDR researchers, as yet unfinished, warranting attention are "The Causes of Rural Hunger (20 Years of Famine in Rural Ethiopia)" by prominent Ethiopian scientist Mesfin Wolde-Mariam, "The Rural Water Supply in Ethiopia" by Makonnen Bishau, "Agrarian Reform and Rural Development in Ethiopia" by Dessalegn Rahmato, "Determinants of the Level of Labor Productivity at State Enterprises" by Sayoum Gebre-Selassie and Wondemneh Telahun, "Motivation for Peasants To Join Production Cooperatives" Habtamu Wondimu, and others.

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\* "IDR. Work Programme (1981-1986)," Addis Ababa, 1981, p 1 (mimeo).

\*\* Dessalegn Rahmato, "Cabral and Problems of Revolution in Africa," IDR. WORKING PAPER, Addis Ababa, 1982, No 16.

The IDR researchers use the services of the university computer center for the mathematical processing of their findings.

The following method of organizing research projects is used in the institute. Each IDR staff researcher or university instructor working part-time in the IDR can suggest a basic or applied research project to the administration. If the topic is socioeconomic in nature, the application is considered by the IDR Consultative Council. The most pertinent of the suggestions are then passed on for the approval of the university Research and Publications Department, the body supervising IDR operations, where final decisions are made on funding.

The IDR holds conferences, seminars, symposiums and colloquiums independently or in conjunction with other national and foreign organizations. For example, in conjunction with the Ministry of Labor and Social Affairs, the IDR organized a seminar on employment in Addis Ababa in August 1981, a conference on "The Acceleration of Ethiopian Economic Development" was held in the Ethiopian capital that October, and a seminar on planning was organized in Debre Zayt in July 1983 in conjunction with the Stuttgart Regional Planning Institute.

In 1983 the IDR resumed the publication of an information bulletin three times a year. In 1981-1983 the institute document center prepared a bibliography of publications on specific topics, compiled reports on research projects and on the findings of IDR researchers and printed a number of articles. The IDR publishes its own journal, the ETHIOPIAN JOURNAL OF DEVELOPMENT RESEARCH, which comes out once every 2 years. The journal editorial board consists of 13 outside researchers--6 economists, 2 geographers, 2 historians and experts in pedagogy, government law and sociology.

The IDR had nine researchers (all Ethiopian citizens) on its staff by the end of 1983, including two senior researchers with doctorates, four junior researchers with master's degrees and three assistants with bachelor's degrees. Three researchers were on overseas assignments. Part-time positions are regularly offered to instructors in the university College of Social Sciences and in the university departments of geography, economics and history. In all, 18 scientists and instructors worked on the IDR program.

Until October 1981 the institute director was Doctor Alula Abate, a graduate of a West German VUZ and an expert on economic geography. In 1982-1983 he was on assignment in Canada, and the institute was headed by Doctor Teshome Mulat, a graduate of Northwestern University (Chicago, United States), who defended a doctoral dissertation at Manchester University (England) in the field of economics and statistics. Teshome Mulat worked as an ILO expert on employment in Geneva for some time. The managing body of the IDR is the Consultative Council, consisting of nine members and headed by Doctor Ainau Ejigu. The IDR director simultaneously performs the duties of council secretary. The annual IDR budget is around 250,000 birr (100 birr = 37.80 rubles).

These data testify that the IDR is one of the promising scientific centers in socialist Ethiopia that are investigating matters of importance to the country in the field of the social and applied sciences. IDR international contacts

are being expanded and diversified, but there is still a tendency to cooperate primarily with Western scientific centers. The controlling and guiding influence of central agencies (the Commission on Science and Technology and others) on the activities of Ethiopian scientific establishments, such as the IDR, is still not the decisive factor. We can assume that the creation of a vanguard party in Ethiopia and its primary organizations in the University of Addis Ababa and the IDR will reinforce positive tendencies and processes in the activities of the institute, which could play an extremely important role in the investigation of socioeconomic development problems of current importance to revolutionary Ethiopia.

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### THIRD WORLD ISSUES

#### WORK OF EASTERN STUDIES INSTITUTE IN 1984 REVIEWED

Moscow NARODY AZII I AFRIKI in Russian No 3, May-Jun 85 (signed to press 14 Jun 85) pp 129-131

[Report on meeting of bureau of Academic Council for the Coordination of Research Projects in Oriental Studies on 14 November 1983 in the Oriental Studies Institute]

[Text] On 14 November 1983 [sic] a meeting of the bureau of the Academic Council for the Coordination of Research Projects in Oriental Studies, chaired by Academician Ye. M. Primakov and attended by the heads of council sections and Oriental studies centers in the Soviet Union, was held jointly by the Oriental Studies Institute of the USSR Academy of Sciences and the Presidium of the All-Union Association of Orientalists. Professor Yu. V. Gankovskiy, chairman of the academic council, presented a report on the fulfillment of the five-year plan for research projects in Oriental studies (1980-1985) and on the preparation of the next plan (1986-1990). He reported that in 1984, just as in earlier years, the council bureau concentrated on the fulfillment of the consolidated plan, including topics in all of the major fields of Oriental studies (history, politics, economics, ideology, Eastern languages and literature and the study of the ancient writings of the East), which are being researched in 73 scientific centers of the USSR Academy of Sciences and the union republic academies, in the Oriental studies departments and schools of universities and academic institutions, in sectorial research institutes, in several practical organizations and in the country's largest museums.

In 1984, 132 works totaling more than 2,600 author's sheets were completed: collective and individual monographs, anthologies, reference books and textbooks on various fields of Oriental studies. These included 33 works in the so-called traditional series (620 author's sheets). More than 30 works (580 author's sheets) dealt with separate countries (the history, economics, ideology and culture of individual countries of the foreign East, and the majority of these studies dealt with the contemporary era); many of the studies (around 30 works totaling 500 author's sheets) dealt with general, global problems of the countries and regions of Asia and North Africa; 5 works (more than 100 author's sheets) were additions to series; the study of the history of the relations of Russia and the Soviet Union with Eastern countries continued (3 works were completed). In recent years the council bureau has paid considerable attention to ideological topics: 7 works (115 author's sheets)

were compiled jointly with many scientific and academic centers in 1984; 28 works (around 700 author's sheets) were added to the series of ancient writings; 24 studies (more than 460 author's sheets) were part of the literary series.

Around 60 works (more than 1,100 author's sheets) were completed in the past year as part of the series on "History, Politics, Economics and Ideology."

Works by Soviet Oriental scholars are appreciated in the Soviet and progressive overseas scientific communities. This is attested to by the many reviews and publications of these works in translated editions in the socialist countries (CSSR, Hungary and GDR), in the countries of Asia and North Africa (India, Pakistan, the DRA, Iran and others) and in capitalist Western countries (United States, England and Italy).

Some 15 sections, commissions and committees performing practical coordination functions operate under the supervision and direct control of the academic council bureau. The activities of the sections are quite diverse. They include the organization and supervision of all-union conferences, symposiums, seminars, scientific sessions, meetings and so forth, the organization of scientific debates, the review of works, the exchange of literature, the adjustment of plans and so forth.

The following is a list of the most important conferences, seminars and other gatherings organized by the sections in question. The Section on the Near and Middle East (headed by Yu. V. Gankovskiy) organized six scientific seminars and working conferences in the Oriental Studies Institute in 1984 on current issues in this region. These gatherings were attended by specialists from various scientific, social and state establishments in Moscow, Leningrad, Baku, Tbilisi, Yerevan and other cities.

The Sinology Section (headed by L. P. Lelyusin) held the 15th scientific conference on "Society and the State in China"<sup>1</sup> and a history conference in memory of P. Ye. Skachkov.

The Section on Japanese Studies (headed by I. A. Latyshev) held seven scientific sessions on general topics in Japanese studies and on certain fields of this science--history, economics and philology. A scientific session was held to discuss problems in the study of Japanese history and the coordination of research in this field. Other scientific meetings were organized for the discussion of "The Scientific-Organizational Problems of Japanese Studies at the Present Time" and "Changes in the Social-Class Structure and Social Problems of Present-Day Japan."

The Commission on Eastern Linguistics (headed by Corresponding Member of the USSR Academy of Sciences V. M. Solntsev) organized conferences at the Oriental Studies Institute--"The Second Conference on Chinese Linguistics," "Linguistic Reconstruction and Ancient Eastern History" and "The Interaction of Cultures in the Foreign East and Loan-Words." Linguists from Moscow, Leningrad, Georgia, Armenia, the Ukraine and other places were invited to the conferences. In 1984, 13 conferences and seminars on contemporary linguistics were held in



various scientific centers in the Soviet Union. The topics of some were "Artificial Intellect and Symbol Recognition," "Linguistic Problems and the Planning of Data Systems," "Current Problems in the Study of Vocabulary and the Development of National Lexicography (The Compilation of Modern Explanatory and Standard-Usage Dictionaries)" and others.

The Section on Eastern Literary Studies (headed by I. S. Braginskiy) held its plenary session in Tashkent.<sup>2</sup> The "Bartold Readings" represented an important stage in the coordination of research in Orientological "auxiliary" historical fields of research style.<sup>3</sup> The Section on Islamic Studies (headed by L. R. Polonskaya) implemented the decisions of the All-Union Coordinating Conference on Islamic Studies (1983) in 1984. Two working coordination conferences were held with the participation of scientists from Moscow, Tashkent and Dushanbe. The Central Coordinating Commission on the Study of the Medieval and Modern History of Countries of the Foreign East (headed by K. Z. Ashrafyan), established in 1982, held a conference on "The State in Pre-Capitalist Asian Societies."<sup>4</sup> The Section on Korean, Vietnamese and Mongolian Studies (headed by I. S. Kazakevich) discussed the preparation of collective monographs at its sessions. "The Union and Labor Movement in the ASEAN Countries" was the topic of a working coordination conference organized by the Section on Southeast Asia (headed by G. I. Chufrin). The Section on Indian Studies (headed by G. G. Kotovskiy) held the latest "Roerich Readings" in the beginning of December 1984.

The administrators of the academic council bureau and its sections constantly invite scientists from the fraternal socialist countries to participate in the investigation of topics in contemporary and classical Oriental studies, in collective monographs and in various international scientific gatherings held in the Soviet Union. Stronger ties are being established with progressive scientists in Asia, North Africa and the Western countries.

#### FOOTNOTES

1. For more detail, see NARODY AZII I AFRIKI, 1984, No 5, pp 29-31.
2. See this issue of the journal, pp 134-135.
3. Ibid., pp 121-127.
4. Ibid., pp 114-120.

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